

	CHECKLIST 29 JUNE 1902
1. TAIWAN STRAIT:	50X1
A. THE MILITARY SITUATION REMAINS	ESSENTIALLY UNCHANGED, ALTHOUGH
WE NOTE SOME ACT	IVITY IN THE CANTON AREA.
	50X
B. TAIPEI'S PUBLIC REACTION TO THE	PRESIDENT'S PRESS CONFERENCE 50X1
ON WEDNESDAY HAS BEEN LIMITED TO A CAUT	IOUS ENDORSEMENT OF WHAT HE
HAD TO SAY TO THE COMMUNIST SIDE. PEIP	ING STILL HAS NOT COMMENTED,
BUT CAME OUT YESTERDAY WITH A LONG TIRA	DE ABOUT AMERICAN "MILITARY
OCCUPATION" OF, AND "ECONOMIC EXPLOITAT	ION" OF TAIWAN. TASS, HOWEVER,
IN A BRIEF FACTUAL ACCOUNT, NOTED THE P	RESIDENT'S COMMENTS THAT THE
US IS UNCERTAIN OF PEIPING'S INTENTIONS	AND THAT AMERICAN "ARRANGE-
MENTS" ARE DEFENSIVE.	•
<b>2.</b>	50X
<u> </u>	50X

## 3. LAOS:

A. SOUPHANNOUVONG RETURNED TO VIENTIANE YESTERDAY, BRINGING WITH HIM SEVERAL MEMBERS OF THE SOVIET DIPLOMATIC MISSION IN KHANG KHAY. HIS FIRST ACT WAS TO CALL OFF THE SCHEDULED CABINET MEETING TO GET THE NEW GOVERNMENT STARTED, CLAIMING SUCH A SESSION HAD BEEN MADE IMPOSSIBLE BY FOREIGN MINISTER QUINIM'S DEPARTURE FOR GENEVA.

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B. WE NOTE THAT RUMORS OF A RIGHTIST COUP ARE FLOATING AROUND VIENTIANE, AND DISCOUNT THEM. ANY MOVE BY PHOUMI'S HENCHMEN WOULD MEET QUICK RETALIATION; SOUVANNA'S TROOPS DEPLOYED IN THE VICINITY OF VIENTIANE ARE UNDER ORDERS TO "MOVE IN IN FORCE" SHOULD THINGS GO AWRY THERE.

50X1

## 4. ALGERIA:

A. DE GAULLE PLANS FORMALLY TO ANNOUNCE ALGERIAN INDEPENDENCE ON TUESDAY. MEANWHILE, OUR CONSULATE GENERAL, OBSERVING THE RELAXATION IN LOCAL TENSIONS, BELIEVES THAT THE TRANSFER OF POWER WILL BE ACCOMPLISHED UNDER REASONABLY TRANQUIL CIRCUMSTANCES. THE LONGER-RANGE PICTURE, HOWEVER, REMAINS BECLOUDED BY FACTIONALISM IN THE ALGERIAN CAMP WHICH TOOK A TURN FOR THE WORSE LAST NIGHT WHEN BEN BELLA--REPORTEDLY IN A MONUMENTAL HUFF--SUDDENLY LEFT TUNIS FOR TRIPOLI.

50X1

## 4. NOTES:

- A. IN BELGIUM, THE SÉNIOR PARTNERS IN THE COALITION GOVERNMENT MAY BE HEADED FOR AN EARLY FALLING-OUT OVER THE TOUCHY RELIGION-AND-THE-SCHOOLS ISSUE.
- B. SUKARNO IS ORGANIZING ANOTHER AFRO-ASIAN CONFERENCE WHICH,
  LIKE THE 1954 AFFAIR, HE PROPOSES BE HELD IN BANDUNG, INDONESIA.

  HE ALREADY HAS POSITIVE COMMITMENTS FROM AT LEAST FIFTEEN COUNTRIES.

  50X1
- C. WE ARE BEGINNING TO SEE EVIDENCE THAT THE VIET CONG IS INCREASING ITS FIRE POWER BY THE ACQUISITION OF HEAVY MORTARS AND ARTILLERY PIECES FROM NORTH VIETNAM.
- D. THE AFGHANS HAVE BEEN LOSING A LOT MORE IN THE WAY 50X1

  OF TRADE THAN THEY HAVE GAINED IN THE WAY OF TERRITORY AS A RESULT

  OF THEIR FEUD WITH PAKISTAN 50X1
- E. OUR MOSCOW EMBASSY REPORTS INSISTENT RUMORS THAT THE GOVERNMENT IS PLANNING TO INCREASE REVENUES WITH ANOTHER ROUND OF PRICE INCREASES AND BY RENEWING THE PRACTICE OF COMPULSORY BOND SUBSCRIPTIONS.

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